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Approved For Release 2002/07/31 : CIA-RDP67B00558R000100070083-2/0.7

DD/S&T 0842-64

9 March 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Preparation and Submission of Requests for Procurement Actions

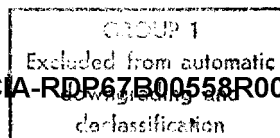
1. On 5 March 1964 a meeting was held in the DD/S&T Conference Room, 3E13, to discuss the procedures which will be employed henceforth within the Directorate in preparing and submitting requests for procurement/contract action. At least one representative from each of the Directorate's Offices attended.

2. Requisitions which require a total expenditure of less than \$25,000 and originate with the Offices of Research and Development, Elint, and the Foreign Missile and Space Analysis Center will be forwarded to the Office of Logistics through the Administrative Staff, DD/S&T. These requisitions, properly completed, will be signed by the appropriate Assistant Director as the "Approving Officer," and be accompanied by a properly executed proposal (if any), and a covering memorandum addressed to the Director of Logistics, also signed by the Assistant Director. The name and signature of the Project Monitor or Technical Officer need only appear in the space provided on the face of the requisition.

3. Requisitions which call for an expenditure of less than \$25,000 which originate with the Offices of Computer Services, Scientific Intelligence, or Special Activities will be prepared and submitted to Logistics in the same manner except that they need not be forwarded through the Administrative Staff, DD/S&T, for prior review and notation. However, the Administrative Staff will be advised, preferably by drop copies of the appropriate documents, of the proposed action. This advice is required for recording and management purposes.

4. Requisitions for procurement/contract action requiring expenditures of \$25,000 or more but less than \$150,000 will be properly

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completed and signed by the Project Monitor in the space provided on the face of the document. In the space provided for the signature of an approving officer the notation will be made "See attached approval document." Accompanying the requisition, in addition to the contractor's proposal (if any), will be the following:

- a. A memo (or copy of a staff study) from the Assistant Director to the DD/S&T to acquaint the DD/S&T thoroughly with the project. If the AD does not feel this memorandum is necessary, he should so state on an attached routing sheet, and give his reasons therefor.
- b. A covering memorandum addressed to the Director of Logistics prepared for the DD/S&T's signature.  spells out in detail what this memo should contain. When signed this memo will be used as approval authority for the action.

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The requisition and accompanying memoranda will be routed to the DD/S&T through the Administrative Staff for review and recording. Following this, the Admin Staff will arrange for other necessary coordination within the Directorate. This will include the Plans and Programs Staff. After the memo to Logistics has been signed it, together with all accompanying papers will be returned to the Admin Staff. Priority and sensitive documents will be hand-carried by a member of the Admin Staff direct to Logistics. The memo from the AD to the DD/S&T will be returned to the originator by the Admin Staff. If the originating Office wishes to hand-carry the requisition to Logistics, the Admin Staff should be so advised.

5. Requisitions for procurement/contract action requiring expenditures of \$150,000 or more will be properly completed and signed by the Project Monitor in the space provided on the face of the document. In the space provided for the signature of an approving officer the notation will be made "See attached approval document." Accompanying the requisition in addition to the contractor's proposal (if any), will be the following:

- a. A memo (or staff study) from the Assistant Director to the DD/S&T which will recite all the information necessary to acquaint the DD/S&T thoroughly with the project prior to his approving the transaction. If the AD does not feel this memorandum is necessary, he should so state on an attached routing sheet and give reasons therefor.

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- b. A covering memorandum addressed to the DDCI, prepared for the DD/S&T's signature. This memorandum must be prepared in accordance with [REDACTED] (See attachments). The memorandum to the DDCI must contain at the very least all the details required [REDACTED] and DD/S&T Instruction 230-1.

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6. After the recommended action has been approved by the DDCI, it will be returned via the Plans and Programs Staff to the Admin Staff. Priority and sensitive cases will be hand-carried by a member of the Admin Staff direct to Logistics. The memo from the AD to the DD/S&T will be returned to the originator. If the originating component wishes to hand-carry the requisition to Logistics, the Admin Staff should be so advised.

[REDACTED]

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Chief, Administrative Staff  
DD/S&T

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DD/ST 0842-64/1

9 MAR 1964

MEMORANDUM FOR: Deputy Director (Science and Technology)

SUBJECT : Approval of Separate Activities in the Science and Technology area

REFERENCE : a) DDCI memo to DD/S&T of 23 December 1963  
b) OSA 0716-64 memo for DDCI of 27 February 1964. Subject: Procurement Approval for Communication Security Cryptographic Equipment

1. Reference (a) established groundrules for non-R&D undertakings of your directorate which require separate activity approval of the DDCI. A finite list of items which fall under the "separate activities" category was not delineated, but the following overall guidance was provided:

"As an interim measure, however, it is requested that you apply the formula in this memorandum to the external research projects of the Office of Scientific Intelligence, and to such things as the development of new systems within the Office of Computer Services, certain specialized efforts in support of technical collection, etc. The experience factor will no doubt serve to refine this requirement further."

2. Reference (b) was informally submitted to the Office of Budget, Program Analysis and Manpower for a decision as to whether the extensive list of communications equipment contained therein fell within the groundrules of reference (a). The equipment to be procured totaled [redacted] constituting a major portion of OSA's procurement program justified in the FY 1964 Financial Plan.

3. It is considered that reference (b) does not require DDCI approval. Equipment procurement is in most cases a normal year-to-year office requirement throughout the Agency -- based on a scheduled replacement or improvement of existing inventory, the minor augmentation of equipment at existing facilities, and the equipping of new stations which have already been approved for activation by separate project action. Funding levels for the above types of equipment procurement are approved after a detailed review of the Financial Plan and the program in such cases including the OSA request should be

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implemented without an additional and separate approval by the DDCI. In other cases such as equipment for a new facility not yet approved, the procurement of a new computer, or check-out and analysis equipment required for the [redacted] separate project approval is required if they exceed the threshold of \$150,000. Similarly, rental of computers under the OCS program does not require annual approval except for the initial year in which the computer is installed and/or rented.

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However, as distinct from formal approval of the DDCI, OBPAM is charged with continued review of steps taken to implement the Agency Financial Plan by each directorate and where programming is undertaken to assure such actions are consistent with the Financial Plan. Where deviations occur -- e.g. large sums diverted from property to new or expanded activity of the Directorate -- OBPAM will report these actions to the Executive Director-Comptroller and/or the DDCI on a case-by-case basis. [redacted] of this office has been instructed to continue his informal liaison with you and keep apprised of your programming efforts. Your cooperation to this end is appreciated and will help to preclude the necessity of formal submissions on reprogramming actions.

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John M. Clarke  
Director of Budget,  
Program Analysis and  
Manpower

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<b>TRANSMITTAL SLIP</b>		DATE 12 Mar
TO: Registry		
ROOM NO.	BUILDING	
REMARKS:  Please attach to DD/S&T 0842-64, Preparation and Submission of Reqs for Procurement Actions.		
FROM: [Redacted]		
ROOM NO.	BUILDING	EXTENSION
FORM NO. 241 1 FEB 55		REPLACES FORM 36-8 WHICH MAY BE USED.  GPO : 1957—O-439445 (47)

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